

Panaji, 18th December, 1980 (Agrahayana 27, 1902)

SERIES I No. 38

OFFICIAL GAZETTE

GOVERNMENT OF GOA, DAMAN AND DIU



GOVERNMENT OF GOA, DAMAN

AND DIU

Revenue Department

Notification

RD/RR/227/77

In exercise of the powers conferred by sub-section (1) and (2) of Section 199 of the Goa, Daman and Diu Land Revenue Code, 1968 (Act No. 9 of 1969), and all other powers enabling him in that behalf and after complying with the requirement of pre-publication the Lieutenant Governor of Goa, Daman and Diu hereby makes the following rules so as to amend the Goa, Daman and Diu Land Revenue (Record of Rights and Register of Cultivators) Rules, 1969 namely:—

1. Short title and commencement.—(1) These rules may be called the Goa, Daman and Diu Land Revenue (Record of Rights and Register of Cultivators) (First Amendment) Rules, 1980.

(2) They shall come into force at once.

2. Amendment of rule 6.—In sub-rule (2) of rule 6 of the Goa, Daman and Diu Land Revenue (Record of Rights and Register of Cultivators) Rules, 1969, after the words "the said notice" and before the words "their objections" the words "or within such date the Government by Notification at any time before the promulgation may specify," shall be inserted.

By order and in the name of the Lieutenant Governor of Goa, Daman and Diu.

S. Regunathan, Secretary (Revenue).

Panaji, 9th December, 1980.

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Law Department (Legal Advice)

Notification

7/1/80-LGL

The following Ordinances which were recently promulgated by the President of India on 25th

October, 1980 and 10th November, 1980 are hereby republished for general information of the public.

R. V. Durbhatker, Under Secretary (Law).

Panaji, 29th November, 1980.

MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

(Legislative Department)

New Delhi, the 25th October, 1980
Kartika 3, 1902 (Saka)

THE FOREST (CONSERVATION)
ORDINANCE, 1980

No. 17 of 1980

Promulgated by the President in the Thirty-first Year of the Republic of India.

An Ordinance to provide for the conservation of forests and for matters connected therewith or ancillary or incidental thereto.

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Forest (Conservation) Ordinance, 1980.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force at once.

2. Restriction on the dereservation of forests or use of forest land for non-forest purpose.—Notwithstanding anything contained in any other law for the time being in force in a State, no State Government or other authority shall make, except with the prior approval of the Central Government, any order directing—

(i) that any reserved forest (within the meaning of the expression "reserved forest" in any law for the time being in force in that State) or any portion thereof, shall cease to be reserved;

(ii) that any forest land or any portion thereof may be used for any non-forest purpose.

Explanation.—For the purposes of this section “non-forest purpose” means breaking up or clearing of any forest land or portion thereof for any purpose other than reafforestation.

3. Constitution of Advisory Committee.—The Central Government may constitute a Committee consisting of such number of persons as it may deem fit to advise that Government with regard to—

- (i) the grant of approval under section 2; and
- (ii) any other matter connected with the conservation of forests which may be referred to it by the Central Government.

4. Power to make rules.—(1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Ordinance.

(2) Every rule made under this Ordinance shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree to making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

N. SANJIVA REDDY,
President.

R. V. S. PERI SASTRI,
Secy. to the Govt. of India.

New Delhi, the 25th October, 1980
Kartika 3, 1902 (Saka).

THE BIRD AND COMPANY LIMITED (ACQUISITION AND TRANSFER OF UNDERTAKINGS AND OTHER PROPERTIES) ORDINANCE, 1980

No. 18 of 1980

Promulgated by the President in the Thirty-first Year of the Republic of India.

An Ordinance to provide for the acquisition and transfer of the undertakings of the Bird and Company Limited for the purpose of ensuring the continuity of production of goods which are vital to the needs of the country and for the acquisition of shares held by the Bird and Company Limited in the specified companies for the purpose of securing to those undertakings the facilities and advantages derived by reason of such shareholding with respect to the operation and functioning of those undertakings and also to enable the Central Government to exercise such

control over the affairs of the specified companies as is necessary to ensure that the affairs of those companies are not mismanaged and for matters connected therewith or incidental thereto.

Whereas the Bird and Company Limited were engaged in the manufacture of E. O. T. cranes and other varieties of cranes; polystyrene based cation exchange resin; equipment for fertilizers, oil refineries, steel plants, petro-chemical and other industries; Tanks and vessels of various shapes and sizes; water treatment equipment and other types of equipment for the control of water pollution and were also engaged in various other activities;

And Whereas the top management of the Bird and Company Limited had so mismanaged the affairs of that Company as to cause heavy losses to the Company and had also managed the affairs of the Company in a manner prejudicial to the interests of the Company and the public interest;

And Whereas in view of the mismanagement aforesaid, the Central Government had, in pursuance of the provisions of section 408 of the Companies Act, 1956, appointed six directors on the Board of directors of the Bird and Company Limited;

1 of 1956.

And Whereas investment of a large amount is necessary for the maintenance and development of the production of the undertakings of the Company;

And Whereas it is necessary in the public interest to acquire the undertakings of the Bird and Company Limited to enable the Central Government to have such investment made and to ensure that the interests of the general public are served by the continuance, by the undertakings of the Company, of the manufacture, production and distribution of goods or articles which are essential to the needs of the economy of the country;

And Whereas the Bird and Company Limited is holding shares in the specified companies which are either engaged in the production, distribution or marketing of goods which are vital to the needs of the country or are engaged in providing finance to other companies which are so engaged and it is expedient in the public interest to acquire the said shares to secure for the undertakings of the Company the facilities and advantages derived by reason of such shareholding with respect to the operation and functioning of such undertakings and also to enable the Central Government to exercise, through such shareholdings, such control on the affairs of those companies as may be necessary to prevent their mismanagement;

And Whereas Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, Therefore, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

CHAPTER I
Preliminary

1. Short title and commencement.—(1) This Ordinance may be called the Bird and Company

Limited (Acquisition and Transfer of Undertakings and Other Properties) Ordinance, 1980.

(2) It shall come into force at once.

2. Definitions. — In this Ordinance, unless the context otherwise requires,—

(a) "appointed day" means the date on which this Ordinance comes into force;

(b) "Commissioner" means the Commissioner of Payments appointed under section 13;

(c) "Company" means the Bird and Company Limited, being a Company as defined in the Companies Act, 1956, and having its registered office at Chartered Bank Buildings, Calcutta-700001, in the State of West Bengal;

(d) "notification" means a notification published in the Official Gazette;

(e) "prescribed" means prescribed by rules made under this Ordinance;

(f) "share" means a share, whether equity or preference, held by the Company in the capital of a specified company and includes any such share pledged by the Company with any bank or any other creditor;

(g) "specified company" means a company specified in Schedule I;

(h) "specified date" means such date as the Central Government may, for the purposes of any provision of this Ordinance, by notification, specify, and different dates may be specified for different provisions of this Ordinance;

(i) words and expressions used herein and not defined but defined in the Companies Act, 1956, shall have the meanings, respectively, assigned to them in that Act.

1 of 1956.

CHAPTER II

Acquisition and transfer of the undertakings of the Company and of shares held by the Company in the specified companies

3. Transfer to, and vesting in, Central Government of the undertakings of the Company. — On the appointed day, the undertakings of the Company and the right, title and interest of the Company in relation to its undertakings shall, by virtue of this Ordinance, stand transferred to, and vest in, the Central Government.

4. Transfer and vesting of shares held by the Company in the specified companies. — (1) On the appointed day, all the shares held by the Company in the specified Companies shall, by virtue of this Ordinance, stand transferred to, and vest in, the Central Government.

(2) The Central Government shall be deemed, on and from the appointed day, to have been registered in the Register of Members of the concerned specified company as the holder of each share which stands transferred to, and vested in, it by virtue of the provisions of sub-section (1).

(3) For the removal of doubts, it is hereby declared that the provisions of sub-sections (1) and (2) shall not be deemed to affect,—

(a) any right of a specified company subsisting immediately before the appointed day, against the Company to recover from it any sum of money on the ground that the Company has not paid or credited to the specified company the whole or any part of the value of the shares held by it, or on any other ground whatsoever; or

(b) any right of a specified company subsisting immediately before the appointed day, against the Company to receive any payments due from the Company.

5. General effect of vesting. — (1) The undertakings of the Company shall be deemed to include all assets, rights, leaseholds, powers, authorities and privileges, and all property, movable and immovable, including lands, buildings, workshops, stores, instruments, machinery and equipment, cash balances, cash on hand, reserve funds, investments, book debts and all other rights and interests in, or arising out of, such property as were immediately before the appointed day in the ownership, possession, power or control of the Company, whether within or outside India, and all books of account, registers and other documents of whatever nature relating thereto.

(2) All properties as aforesaid which have vested in the Central Government, whether under section 3 or section 4, shall, by force of such vesting, be freed and discharged from any trust, obligation, mortgage, charge, lien and all other incumbrances affecting them, and any attachment, injunction, decree or order of any court or other authority restricting the use of such properties in any manner or appointing any receiver in respect of the whole or any part of such properties shall be deemed to have been withdrawn.

(3) Every mortgagee of any property which has vested under this Ordinance in the Central Government and every person holding any charge, lien or other interest in, or in relation to, any such property, shall give, within such time and in such manner as may be prescribed, an intimation to the Commissioner of such mortgage, charge, lien or other interest.

(4) For the removal of doubts, it is hereby declared that the mortgagee of any property referred to in sub-section (3) or any other person holding any charge, lien or other interest in, or in relation to, any such property shall be entitled to claim, in accordance with his rights and interests, payment of the mortgage money or other dues, in whole or in part, out of the amount specified in section 8, but no such mortgage, charge, lien or other interest shall be enforceable against any property which has vested in the Central Government.

(5) Any licence or other instrument granted to the Company in relation to any undertaking which has vested in the Central Government under section 3, at any time before the appointed day and in force immediately before that day, shall continue to be in force on and after such day in accordance with its tenor in relation to, and for the purposes of, such undertaking and on and from

the date of vesting of such undertaking under section 7, in a Government company, that Government company shall be deemed to be substituted in such licence or other instrument as if such licence or other instrument had been granted to such Government company and such Government company shall hold it for the remainder of the period for which that Company would have held it under the terms thereof.

(6) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to any property which has vested in the Central Government, whether under section 3 or under section 4, instituted or preferred by or against the Company is pending, the same shall not abate, be discontinued or be, in any way prejudicially affected by reason of the transfer of the undertakings of the Company or of anything contained in this Ordinance, but the suit, appeal or other proceeding may be continued, prosecuted or enforced by or against the Central Government, or where the undertakings of the Company are directed under section 7, to vest in a Government company, by or against such company.

6. Central Government or the Government company not to be liable for prior liabilities. — (1) Every liability of the Company in respect of any period prior to the appointed day, shall be the liability of the Company and shall be enforceable against it and not against the Central Government, or, where the undertakings of the Company are directed, under section 7, to vest in a Government company, against such company.

(2) For the removal of doubts, it is hereby declared that—

(a) save as otherwise expressly provided in this Ordinance, no liability of the Company in relation to its undertakings, or in relation to any share held by it in a specified Company, in respect of any period prior to the appointed day, shall be enforceable against the Central Government, or, where the undertakings of the Company are directed under section 7 to vest in a Government company, against such company;

(b) no award, decree or order of any court, tribunal or other authority in relation to the undertakings of the Company or in relation to any share held by the Company in a specified company passed after the appointed day, in respect of any matter, claim or dispute which arose before that day, shall be enforceable against the Central Government, or where the undertakings of the Company are directed under section 7 to vest in a Government company, against such company;

(c) no liability incurred by the Company before the appointed day, for the contravention of any provision of law for the time being in force, shall be enforceable against the Central Government, or, where the undertakings of the Company are directed under section 7, to vest in a Government company, against such company.

7. Power of Central Government to direct vesting of the undertakings of the Company in a Government company. — (1) Notwithstanding anything

contained in section 3, the Central Government may, if it is satisfied that a Government company is willing to comply with such terms and conditions as that Government may think fit to impose, direct, by notification, that the undertakings of the company and the right, title and interest of the Company in relation to its undertakings which have vested in the Central Government under section 3, shall, instead of continuing to vest in the Central Government, vest in the Government company either on the date of the publication of the notification or on such earlier or later date (not being a date earlier than the appointed day) as may be specified in the notification.

(2) Where the right, title and interest of the Company in relation to its undertakings, vest under sub-section (1), in a Government company that Government company shall, on and from the date of such vesting, be deemed to have become the owner in relation to such undertakings, and all the rights and liabilities of the Central Government in relation to such undertakings shall, on and from the date of such vesting, be deemed to have become the rights and liabilities, respectively, of that Government company.

CHAPTER III

Payment of amounts

8. Payment of amounts to the Company and specified companies. — (1) For the transfer to, and vesting in, the Central Government, under section 3, of the undertakings of the Company and the right, title and interest of the company in relation to its undertakings there shall be paid by the Central Government to the Company in cash and in the manner specified in Chapter VI, an aggregate amount of rupees two hundred and eighty-three lakhs.

(2) For the transfer to, and vesting in, the Central Government, under section 4, of the shares held by the Company in the specified companies, there shall be paid by the Central Government to the Company in cash and in the manner specified in Chapter VI, an aggregate amount of rupees twenty-seven lakhs.

(3) The amount specified in sub-section (1) and the amount specified in sub-section (2) shall carry simple interest of four per cent. per annum for the period commencing on the appointed day and ending on the date on which payment of such amount is made by the Central Government to the Commissioner.

(4) For the removal of doubts, it is hereby declared that the liabilities of the Company, in relation to its undertakings, shall be met, in accordance with the rights and interests of the creditors of the Company, from the amounts due to the Company under sub-section (1) and sub-section (2).

CHAPTER IV

Management, etc., of the undertakings of the Company

9. Management, etc., of the undertakings of the Company. — (1) The general superintendence, direction, control and management of the affairs and business of the undertakings of the Company, the right, title and interest in relation to which have

vested in the Central Government under section 3, shall,—

- (a) where a direction has been made by the Central Government under sub-section (1) of section 7, vest, on and from the date specified in such direction, in the Government company specified therein;
- (b) where no such direction has been made by the Central Government, vest, on and from the appointed day, in one or more Custodians appointed by the Central Government under sub-section (2),

and thereupon the Government company so specified or the Custodian or Custodians so appointed, as the case may be, shall be entitled to exercise to the exclusion of all other persons, all such powers and do all such things as the Company is authorised to exercise and do in relation to its undertakings.

(2) The Central Government may appoint an individual or a Government company as the Custodian of the undertakings of the Company in relation to which no direction has been made by it under sub-section (1) of section 7.

(3) The Custodian shall receive from the funds of the undertakings of the Company such remuneration as the Central Government may fix and shall hold office during the pleasure of the Central Government.

10. Duty of persons in charge of management of the undertakings of the Company to deliver all assets, etc.—(1) On the vesting of the management of the undertakings of the Company in a Government company or on the appointment of a Custodian, all persons in charge of the management of the undertakings of the Company immediately before such vesting or appointment, shall be bound to deliver to such Government company or Custodian, as the case may be, all assets, books of account, registers or other documents in their custody relating to the undertakings of the Company.

(2) The Central Government may issue such directions as it may deem desirable in the circumstances of the case to the Government company or the Custodian as to the powers and duties of such Government company or Custodian and such Government company or Custodian may also, if it is considered necessary so to do, apply to the Central Government at any time for instructions as to the manner in which the management of the undertakings of the Company shall be conducted or in relation to any other matter arising in the course of such management.

(3) The Custodian shall maintain an account of the undertakings of the Company in such form and manner and under such conditions as may be prescribed and the provisions of the Companies Act, 1956, shall apply to the audit of the account so maintained as they apply to the audit of the accounts of a company.

CHAPTER V

Provision relating to employees of the Company

11. Continuance of employees.—(1) Every employee of the Company, employed in connection with

any undertaking owned by it, shall, on and from the appointed day, become an employee of the Central Government, and where such undertaking is vested in a Government company under this Ordinance, become, on and from the date of such vesting in such Government company, an employee thereof and shall hold office or service under the Central Government or the Government company, as the case may be, with the same rights and privileges as to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting and shall continue to do so unless and until his employment under the Central Government or the Government company, as the case may be, is duly terminated or until his remuneration and other conditions of service are duly altered by the Central Government or the Government company, as the case may be.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947, or in any other law for the time being in force, the transfer of the services of any officer or other person employed in any undertaking owned by the Company to the Central Government or the Government company shall not entitle such officer or other employee to any compensation under this Ordinance or any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

14 of 1947.

12. Provident fund and other funds.—(1) Where the Company has established a provident fund, superannuation fund, welfare fund or other fund for the benefit of the person employed in any of the undertakings of the Company, the monies relatable to the employee, whose services have become transferred by or under this Ordinance, to the Central Government or the Government Company, shall, out of the monies standing, on the appointed day, to the credit of such provident, superannuation, welfare or other fund, stand transferred to, and vest in, the Central Government or the Government company, as the case may be.

(2) The monies which stand transferred under sub-section (1) to the Central Government or the Government company, as the case may be, shall be dealt with by that Government or the Government company in such manner as may be prescribed.

CHAPTER VI

Commissioner of Payments

13. Appointment of Commissioner of Payments.—

(1) The Central Government shall, for the purpose of disbursing the amounts payable to the Company under section 8, by notification, appoint a Commissioner of Payments.

(2) The Central Government may appoint such other persons as it may think fit to assist the Commissioner and thereupon the Commissioner may authorise one or more of such persons also to exercise all or any of the powers exercisable by him under this Ordinance and different persons may be authorised to exercise different powers.

(3) Any person authorised by the Commissioner to exercise any of the powers exercisable by the

Commissioner may exercise those powers in the same manner and with the same effect as if they have been conferred on that person directly by this Ordinance and not by way of authorisation.

(4) The salaries and allowances of the Commissioner and other persons appointed under this section shall be defrayed out of the Consolidated Fund of India.

14. Payment by the Central Government to the Commissioner.—(1) The Central Government shall, within thirty days from the specified date, pay, in cash, to the Commissioner, for payment to the Company the amounts specified in section 8.

(2) A deposit account shall be opened by the Central Government in favour of the Commissioner, in the Public Account of India, and every amount paid under this Ordinance to the Commissioner shall be deposited by him to the credit of the said deposit account and the said deposit account shall be operated by the Commissioner.

(3) Records shall be maintained by the Commissioner in respect of the undertakings of the Company and the shares held by it in the specified Companies, in relation to which payment has been made to him under this Ordinance.

(4) The interest accruing on the amount standing to the credit of the deposit account referred to in sub-section (2) shall enure to the benefit of the Company.

15. Certain powers of the Central Government or Government company.—(1) The Central Government or the Government company, as the case may be, shall be entitled to receive, up to the specified date, to the exclusion of all other persons, any money due to the Company, or the Government company, and realised after the appointed day, notwithstanding that the realisation pertains to a period prior to the appointed day.

(2) The Central Government or the Government company, as the case may be, may make a claim to the Commissioner with regard to every payment made by it after the appointed day for discharging any liability of the Company in relation to any period prior to the appointed day; and every such claim shall have priority in accordance with the priorities attaching, under this Ordinance, to the matter in relation to which such liability has been discharged by the Central Government or the Government company.

(3) Save as otherwise provided in this Ordinance, the liabilities of the Company in respect of any transaction prior to the appointed day, which have not been discharged on or before the specified date, shall be the liabilities of the Company.

16. Claims to be made to the Commissioner.—Every person having a claim against the Company shall prefer such claim before the Commissioner within thirty days from the specified date:

Provided that if the Commissioner is satisfied that the claimant was prevented by sufficient cause from preferring the claim within the said period of thirty days, he may entertain the claim within a further period of thirty days and not thereafter.

17. Priority of claims.—The claims arising out of the matters specified in Schedule II shall have priorities in accordance with the following principles, namely:—

(a) Category I shall have precedence over all other categories and Category II shall have precedence over Category III, and so on;

(b) the claims specified in each of the categories, shall rank equally and be paid in full, but, if the amount is insufficient to meet such claims in full, they shall abate in equal proportions and be paid accordingly;

(c) the question of discharging any liability with regard to a matter specified in a lower category shall arise only if a surplus is left after meeting all the liabilities specified in the immediately higher category.

18. Examination of claims.—(1) On receipt of the claims made under section 16, the Commissioner shall arrange the claims in the order of priorities specified in Schedule II and examine the same in accordance with such order of priorities.

(2) If, on an examination of the claims, the Commissioner is of opinion that the amount paid to him under this Ordinance is not sufficient to meet the liabilities specified in any lower category, he shall not be required to examine the claims in respect of such lower category.

19. Admission or rejection of claims.—(1) After examining the claims with reference to the priorities set out in Schedule II, the Commissioner shall fix a certain date on or before which every claimant shall file the proof of his claim or be excluded from the benefit of the disbursements made by the Commissioner.

(2) Not less than fourteen days' notice of the date so fixed shall be given by advertisement in one issue of any daily newspaper in the English language and in one issue of such daily newspaper in the regional language as the Commissioner may consider suitable, and every such notice shall call upon the claimant to file the proof of his claim with the Commissioner within the time specified in the advertisement.

(3) Every claimant who fails to file the proof of his claim within the time specified by the Commissioner shall be excluded from the disbursements made by the Commissioner.

(4) The Commissioner shall, after such investigation as may, in his opinion, be necessary and after giving the Company an opportunity of refuting the claim and, after giving the claimant a reasonable opportunity of being heard, by order in writing, admit or reject the claim in whole or in part.

(5) The Commissioner shall have the power to regulate his own procedure in all matters arising out of the discharge of his functions, including the place or places at which he may hold his sittings and shall, for the purpose of making an investigation under this Ordinance, have the same powers as are vested in a civil court under the Code of Civil Procedure,

1908, while trying a suit, in respect of 5 of 1908.
the following matters, namely:—

- (a) the summoning and enforcing the attendance of any witness and examining him on oath;
- (b) the discovery and production of any document or other material object producible as evidence;
- (c) the reception of evidence on affidavits;
- (d) the issuing of any commission for the examination of witnesses.

(6) Any investigation before the Commissioner shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code and the Commissioner shall be deemed to be a civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

(7) A claimant, who is dissatisfied with the decision of the Commissioner, may prefer an appeal against the decision to the principal civil court of original jurisdiction within the local limits of whose jurisdiction the registered office of the Company is situated:

Provided that where a person who is a Judge of a High Court is appointed to be the Commissioner, such appeal shall lie to the High Court at Calcutta, and such appeal shall be heard and disposed of by not less than two Judges of that High Court.

20. Disbursement of money by the Commissioner to claimants. — After admitting a claim under this Ordinance, the amount due in respect of such claim shall be paid by the Commissioner to the person or persons to whom such amount is due, and, on such payment, the liability of the Company in respect of such claim shall stand discharged.

21. Disbursement of amounts to the Company and possession of certain machinery, equipment, etc. — (1) If, out of the monies paid to him in relation to the undertakings of the Company, there is a balance left after meeting the liabilities as specified in Schedule II, the Commissioner shall disburse such balance to the Company.

(2) Where any machinery, equipment or other property, has vested, under this Ordinance, in the Central Government or the Government company, as the case may be, but such machinery, equipment or other property does not belong to the Company, it shall be lawful for the Central Government or the Government company, as the case may be, to continue to possess such machinery, equipment and other property on the same terms and conditions under which they were possessed by the Company immediately before the appointed day.

22. Undisbursed or unclaimed amount to be deposited to the general revenue account. — Any money paid to the Commissioner which remains undisbursed or unclaimed on the date immediately preceding the date on which the office of the Commissioner is finally wound up, shall be transferred by the Commissioner, before his office is finally wound up, to the Central Revenue Account of the Central Government; but a claim to any money so transferred may

be preferred to the Central Government by the person entitled to such payment and shall be dealt with as if such transfer had not been made, and the order, if any for payment of the claim, being treated as an order for the refund of revenue.

CHAPTER VII

Miscellaneous

23. Ordinance to have overriding effect. — The provisions of this Ordinance shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law, other than this Ordinance, or in any decree or order of any court, tribunal or other authority.

24. Contracts to cease to have effect unless ratified by the Central Government or Government company. — Every contract entered into by the Company in relation to the undertakings owned by it, which has vested in the Central Government under section 3, for any service, sale or supply, and in force immediately before the appointed day, shall, on and from the expiry of a period of one hundred and eighty days from the appointed day, cease to have effect unless such contract is, before the expiry of that period, ratified, in writing, by the Central Government or Government company, in which such undertakings have been vested under this Ordinance, and in ratifying such contract, the Central Government or Government company may make such alteration or modification therein as it may think fit:

Provided that the Central Government or Government company shall not omit to ratify a contract and shall not make any alteration or modification in a contract—

(a) unless it is satisfied that such contract is unduly onerous or has been entered into in bad faith or is detrimental to the interests of the Central Government or such Government company; and

(b) except after giving to the parties to the contract a reasonable opportunity of being heard and except after recording, in writing, its reasons for refusal to ratify the contract or for making any alteration or modification therein.

25. Penalties. — Any person who—

(a) having in his possession, custody or control any property forming part of any undertaking of the company, or any share held by the company in any specified company, wrongfully withdraws such property or share from the Central Government or Government company; or

(b) wrongfully obtains possession of, or retains any property forming part of any undertaking of the Company or wilfully withdraws or fails to furnish to the Central Government or Government company or any person specified by that Government or Government Company, any document relating to such undertaking or share which may be in his possession, custody or control or fails to deliver to the Central Government or Government company or any person specified by that Government or Government company, any assets, books of account, registers or other documents in his possession, custody or control, relating to the

45 of 1860.

2 of 1974.

undertakings of the Company or any share held by the Company in any specified company or;

(c) wrongfully recovers or destroys any property forming part of any undertaking of the Company or prefers any claim under this Ordinance which he knows or has reasonable cause to believe to be false or grossly inaccurate,

shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to ten thousand rupees, or with both.

26. Offences by companies.—(1) Where an offence punishable under this Ordinance has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where any offence under this Ordinance has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) "Company" means any body corporate and includes a firm or other association of individuals;

(b) "Director", in relation to a firm, means a partner in the firm.

27. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Central Government or the Custodian of the undertakings of the company, or the Government Company or any officer or other person authorised by that Government or Government company for anything which is in good faith done or intended to be done under this Ordinance.

28. Delegation of powers.—(1) The Central Government may, by notification, direct that all or any of the powers exercisable by it under this Ordinance, other than the powers conferred by this section and section 29 and section 30, may also be exercised by such person or persons as may be specified in the notification.

(2) Whenever any delegation of power is made under sub-section (1), the person to whom such power has been delegated shall act under the direction, control and supervision of the Central Government.

29. Power to make rules.—(1) The Central Government may, by notification, make rules for carrying out the provisions of this Ordinance.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the time within which, and the manner in which, an intimation shall be given to the Commissioner under sub-section (3) of section 5;

(b) the form and the manner in which, and the conditions under which, accounts shall be maintained by the Custodian as required by sub-section (3) of section 10;

(c) the manner in which the monies in any provident fund or other fund referred to in section 12 shall be dealt with;

(d) any other matter which is required to be, or may be, prescribed.

(3) Every rule made by the Central Government under this Ordinance shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

30. Power to remove difficulties.—If any difficulty arises in giving effect to the provisions of this Ordinance, the Central Government may, by order, not inconsistent with the provisions of this Ordinance, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the appointed day.

SCHEDULE I

[See section 2(g)]

1. Bisra Stone Lime Company Limited	Having Registered Office at Chartered Bank Buildings, Calcutta- 700001.
2. Burrakur Coal Company Limited	
3. Birds Trading and Investments Company Limited	
4. Eastern Investments Limited	
5. Garuda Investments Limited	
6. Karanpura Development Company Limited (including Funders' Shares)	
7. Kinnison Jute Mills Company Limited	
8. Kumardhubi Fireclay and Silica Works Limited	
9. Lawrence Investments and Property Company Limited	
10. Ondal Investments Company Limited	
11. Orissa Minerals Development Company Limited	

12. Sendra Investments Company Limited
13. Birds Employees' Cooperative Society Limited
14. Becker Gray and Company (1930) Limited
15. Karanpura Collieries Limited—Preference Shares, having registered office at 11, British Indian Street, Calcutta-700069.
16. Calcium Carbide and Chemicals Ltd., having registered office at 161/1, Mahatma Gandhi Road, Calcutta-700007 (Partly paid)
17. Holman-Climax (Rock Drills) Limited
18. Holman-Climax Manufacturing Limited
19. Patya Tea Company Limited, having registered office at 12, Dilkusha Street, Calcutta-700017.
20. The Titaghur Paper Mills Company Limited, having registered office at 95, Park Street, Calcutta-700016.
21. Sonakunda Baling Company Limited, having registered office in Bangla Desh.

Having
Registered
Office at
Dolphin
Court, 7-A,
Middleton
Street,
Calcutta-
700016.

- (iii) Banks;
(iv) public financial institutions.

Category IV —

- (a) Any credit availed of by the Company for the purpose of carrying on any trading or manufacturing operations.
- (b) Any dues payable to the State Electricity Boards or other Government or semi-Government institutions for supply of goods or services.
- (c) Arrears of interest on loans and advances.

Category V —

- (a) Revenue taxes, cesses, rates or other dues to Central Government, State Government and local authorities.
- (b) Any other loans or dues.

N. SANJIVA REDDY,
President.

R. V. S. PERI SASTRI,
Secy. to the Govt. of India.

New Delhi, the 10th November, 1980
Kartika 19, 1902 (Saka)

**THE AUROVILLE (EMERGENCY PROVISIONS)
ORDINANCE, 1980**

No. 19 of 1980

Promulgated by the President in the Thirty-first Year of the Republic of India.

An Ordinance to provide for the taking over, in the public interest, of the management of Auroville for a limited period and for matters connected therewith or incidental thereto,

WHEREAS Sri Aurobindo Society, a non-governmental organisation had been a channel of funds for the setting up of a cultural township known as Auroville, where people of different countries are expected to live together in harmony in one community and are expected to engage in cultural, educational, scientific and other pursuits aiming at human unity;

AND WHEREAS the United Nations Educational, Scientific and Cultural Organisation (hereinafter referred to as 'UNESCO'), being of the opinion that the project aforesaid would contribute to international understanding and promotion of peace, by a resolution passed in 1966, commended Auroville to those interested in UNESCO's ideals;

AND WHEREAS by a further resolution passed in 1968, the UNESCO had invited its member States and international non-governmental organisations to participate in the development of Auroville as an international cultural township designed to bring together the values of different cultures and civilisations in a harmonious environment with integrated living standards which correspond to man's physical and spiritual needs;

SCHEDULE II

(See sections 17, 18, 19 and 21)

Order of priorities for the discharge of liabilities of the Company

Category I —

- (a) Wages, salaries and other dues payable to the employees of the Company.
- (b) Arrears in relation to contributions to be made by the Company to the Provident Fund, Employees State Insurance Fund, Life Insurance Corporation premium and any other arrear under any law for the time being in force (excluding gratuity).

Category II —

Principal amount of secured loans advanced by —

- (i) Central Government;
- (ii) State Government;
- (iii) Banks;
- (iv) public financial institutions.

Category III —

Principal amount of unsecured loans advanced by —

- (i) Central Government
- (ii) State Government;

AND WHEREAS by a further resolution passed at its sitting held from 12th October to 14th November, 1970, the UNESCO had directed its Director-General to take such steps as may be feasible, within the budgetary provisions, to promote the development of Auroville as an important international cultural programme;

AND WHEREAS Auroville was developed as a cultural township with the aid of funds received from different organisations in and outside India as also from the substantial grants received from the Central and State Governments;

AND WHEREAS pursuant to the complaints received with regard to the misuse of funds by Sri Aurobindo Society, a Committee was set up under the chairmanship of the Lieutenant-Governor of Pondicherry with representatives of the Government of Tamil Nadu and of the Ministry of Home Affairs in the Central Government, and the said Committee had, after a detailed scrutiny of the accounts of Sri Aurobindo Society, found instances of serious irregularities in the management of the said Society, misutilisation of its funds and their diversion to other purposes;

AND WHEREAS in view of the serious difficulties which have arisen with regard to the management of Auroville, it is necessary to take over, for a limited period, the management thereof and any delay in taking over the management of Auroville would be highly detrimental to the interests and objectives of Auroville;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

CHAPTER I

Preliminary

1. Short title and commencement.—(1) This Ordinance may be called the Auroville (Emergency Provisions) Ordinance, 1980.

(2) It shall come into force at once.

2. Definitions.—In this Ordinance, unless the context otherwise requires,—

(a) "Administrator" means the Administrator appointed under section 5;

(b) "appointed day" means the date on which this Ordinance comes into force;

(c) "Auroville" means so much of the undertakings as form part of, or are relatable to, the cultural township which is known as Auroville and the charter of which was proclaimed by the 'Mother' on the 28th day of February, 1968;

(d) "Council" means the 'Auroville International Advisory Council' constituted under sub-section (1) of section 6;

(e) "prescribed" means prescribed by rules made under this Ordinance;

(f) "Society" means Sri Aurobindo Society being a society as defined in the West Bengal Societies Registration Act, 1961, and having its registered office at Calcutta;

West
Bengal
Act XXVI
of 1961.

(g) words and expressions used herein and not defined, but defined in the Societies Registration Act, 1860, shall have the meanings, respectively, assigned to them in that Act.

21 of 1860.

CHAPTER II

Taking over of the management of Auroville

3. Management of Auroville to vest in the Central Government for a limited period.—(1) On and from the appointed day and for a period of two years thereafter, the management of Auroville shall vest in the Central Government:

Provided that where the Central Government is of opinion that in order to secure the proper management of Auroville, it is expedient that such management should continue to vest in that Government after the expiry of the said period of two years, it may, from time to time, issue directions for the continuance of such management for such period, not exceeding one year at a time, as it may think fit; so, however, that the total period for which such management shall continue to vest in the Central Government shall not, in any case, exceed five years.

(2) Auroville shall be deemed to include all the assets, rights, leaseholds, powers, authorities and privileges, and all property (movable and immovable), including lands, buildings, works, workshops, projects, stores, instruments, machinery, automobiles and other vehicles, cash balances, funds, including reserve funds, investments and book debts of the Society as form part of, or are relatable to, Auroville and all other rights and interests arising out of such properties as were immediately before the appointed day in the ownership, possession, power or control of the Society, whether within or without India, and all books of account, registers, maps, plans and all other documents of whatever nature relating thereto.

4. Application of West Bengal Act XXVI of 1961.—(1) Notwithstanding anything contained in any other law for the time being in force or in the memorandum or the rules and regulations of the Society,—

(a) on and from the appointed day, every member of the Governing Body of the Society, by whatever name called, shall cease to exercise any powers of management in relation to Auroville;

(b) it shall not be lawful for the members of the Society or any other person to nominate or appoint any person as Manager or Director of so much of the assets of the Society as form part of, or are relatable to, Auroville;

(c) no resolution in relation to Auroville passed at any meeting of the members of the Society or of the members of Auroville shall be given effect to unless it is approved by the Central Government;

West
Bengal
Act XXVI
of 1961.

(d) no proceeding for the dissolution of the Society or merger of the Society with any other society or for the appointment of a receiver in respect of any asset forming part of, or relatable to, Auroville, the management of which has vested in the Central Government under section 3, shall lie in any court except with the consent of the Central Government.

(2) Subject to the provisions contained in sub-section (1) and to the other provisions contained in this Ordinance and subject to such other exceptions, restrictions and limitations, if any, as the Central Government may, by notification in the Official Gazette, specify in this behalf for the purposes of this Ordinance, the provisions of the West Bengal Societies Registration Act, 1961, shall continue to apply to the Society in the same manner as they applied thereto before the appointed day.

5. Administrator of Auroville. — (1) The Central Government shall, as from the appointed day, appoint a person or a body of persons as the Administrator for the purpose of taking over the management of Auroville and the Administrator shall carry on the management of Auroville for and on behalf of the Central Government.

(2) The Administrator may authorise such person as he thinks fit also to exercise all or any of the powers exercisable by him under this Ordinance and different persons may be authorised to exercise different powers, and subject to the general or special directions given or imposed by the Administrator, the person so authorised to exercise any powers of the Administrator may exercise those powers in the same manner and with the same effect as if they had been conferred on that person directly by this Ordinance and not by way of authorisation.

(3) If, on the appointed day, any suit, appeal or other proceeding, of whatever nature, in relation to any property which has vested in the Central Government under section 3, instituted or preferred by or against the Society is pending, the same shall not abate, be discontinued or be, in any way, prejudicially affected by reason of the taking over of the management of Auroville or of anything contained in this Ordinance, but the suit, appeal or other proceeding may be pursued, prosecuted or enforced by or against the Central Government.

(4) The Central Government may issue such directions (including directions as to initiating, defending or continuing any legal proceedings before any court, tribunal or other authority) to the Administrator, as to his powers and duties as that Government may deem desirable and the Administrator may apply to the Central Government at any time for instructions as to the manner in which he shall conduct the management of Auroville or in relation to any matter arising in the course of such management.

(5) Subject to the other provisions of this Ordinance and to the control of the Central Government, the Administra-

tor shall be entitled, notwithstanding anything contained in the West Bengal Societies Registration Act, 1961, or in any other law for the time being in force, to exercise, in relation to Auroville, the powers of the Governing Body or Executive Committee or, as the case may be, of the Board of Trustees of the Society, including the powers to dispose of any property or assets of the Society, whether such powers are derived from the West Bengal Societies Registration Act, 1961, or from the memorandum and rules and regulations of the Society or from any other source.

(6) The Administrator and the other persons authorised by him under sub-section (2) shall receive from the funds of the Society relatable to Auroville such remuneration as the Central Government may fix.

6. Advisory Council. — (1) As soon as may be after the commencement of this Ordinance and in any case within one month from such commencement, the Central Government shall constitute, by notification in the Official Gazette, a Council to be called the 'Auroville International Advisory Council'.

(2) The Council may on its own motion or on a reference made to it by the Central Government advise the Central Government on any matter concerning the management of Auroville.

(3) In tendering any advice to the Central Government, the Council shall endeavour to secure that—

(a) the ideals for which Auroville has been established are encouraged, and

(b) the members of Auroville are allowed freedom to grow and develop activities and institutions for the fulfilment of the aspirations and programmes envisaged in the Charter of Auroville.

(4) The Council shall consist of such number of members not exceeding five as may be appointed by the Central Government from amongst persons, who in its opinion are devoted to the ideals of human unity, peace and progress.

(5) There shall be a Chairman of the Council who shall be elected by the members of the Council from among themselves.

(6) The term of office of, the method of filling casual vacancies among, and the allowances and other remuneration, if any, payable to, the members of the Council shall be such as may be prescribed.

(7) The Council shall, subject to any rules that may be made in this behalf under section 17, have power to regulate its own procedure.

7. Delivery of possession of properties of Auroville. — (1) Every person having, on the appointed day, in his possession, custody or control any property forming part of, or relatable to, Auroville, shall deliver forthwith such property to the Administrator or to any officer or other employee of

the Central Government as may be authorised by the Central Government in this behalf.

(2) Any person who has, on the appointed day, in his possession or under his control any books, papers or other documents relating to Auroville (including the minutes books containing resolutions in relation to Auroville adopted by persons in charge of the management of the Society before the appointed day), the current cheque books relating to Auroville, any letters, memoranda, notes and other communications between him and the Society, shall, notwithstanding anything contained in any other law for the time being in force, be liable to account for the books, papers and other documents (including such minutes books, cheque books, letters, memoranda, notes and other communications) to the Administrator or to such person (being an officer or other employee of the Central Government) as may be authorised by the Central Government in this behalf.

(3) Every person in charge of the management of Auroville immediately before the appointed day shall, within ten days from that day or within such further period as the Central Government may allow in this behalf, furnish to the Administrator a complete inventory of all the properties and assets (including particulars of donations received, book debts, investments and belongings) forming part of, or relatable to, Auroville immediately before the appointed day and all liabilities and obligations of the Society in relation to Auroville subsisting immediately before that day and also of all agreements entered into by the Society in relation to Auroville and in force immediately before the appointed day.

8. Relinquishment of management before the specified period. — (1) If at any time it appears to the Central Government that the purposes for which the management of Auroville had been taken over have been fulfilled or that for any other reason it is not necessary that the management of Auroville should remain vested in that Government, it may, notwithstanding anything contained in sub-section (1) of section 3, by order published in the Official Gazette, relinquish the management of Auroville with effect from such date as may be specified in the order.

(2) On and from the date specified in the order made under sub-section (1), the management of the property of the Society forming part of, or relatable to, Auroville, shall vest in the Governing Body (by whatever name called) of the Society and such management shall be carried on in accordance with the provisions of the West Bengal Societies Registration Act, 1961, so, however, that the steps, if any, in relation to the management of the property of the Society forming part of, or relatable to, Auroville, may be taken after the publication of the order made under sub-section (1).

West
Bengal
Act XXVI
of 1961.

immovable) including any land, building, works, workshop, project, stores, instruments, machinery, automobile or other vehicles, cash balances, funds (including reserve funds), investments and book debts forms or form part of, or is or are relatable to, Auroville for the purposes of section 3, such dispute or doubt shall, at the request of the Society or the Administrator or any other person interested or at the instance of the Central Government, be referred to a Tribunal consisting of one member (being a person who is or has been a Judge of a High Court) to be appointed by the Central Government.

(2) The Tribunal shall, for the purposes of any reference under sub-section (1), have all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, in respect of the following matters, namely: —

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of documents producible as evidence;
- (c) recording evidence on oath;
- (d) requisitioning any public record from any court or office;
- (e) issuing commissions for the examination of witnesses or documents;
- (f) such other matters as may be prescribed.

(3) The Tribunal shall have power to regulate its own procedure in all matters arising out of the discharge of its functions (including the place or places at which it shall hold its sittings).

(4) All expenses incurred in connection with the Tribunal shall be defrayed out of the Consolidated Fund of India.

10. Appeal. — Any person aggrieved by the decision of the Tribunal under section 9 may, within thirty days from the date of such decision, prefer an appeal to the High Court at Madras and such appeal shall be heard and disposed of by not less than two Judges of that High Court:

Provided that the High Court may entertain the appeal after the expiry of the said period of thirty days if it is satisfied that the appellant had sufficient cause for not preferring the appeal within the period aforesaid.

CHAPTER III

Miscellaneous

11. Ordinance to have overriding effect. — The provisions of this Ordinance or any notification, order or rule made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any law other than this Ordinance or in any instrument having effect by virtue of any law other than this Ordinance or in any decree or order of any court.

12. Contracts, etc., cease to have effect unless ratified by the Central Government. — (1) Every

9. **Tribunal.** — (1) If any dispute or doubt arises as to whether any assets, right, lease-hold, power, authority, privilege, property (whether movable or

contract (including any contract of employment or other arrangement) entered into by the Society in relation to Auroville, the management of which has vested in the Central Government under section 3, and in force immediately before the appointed day, shall, on and from the date of expiry of ninety days from the appointed day, cease to have effect unless such contract or other arrangement has been, before the expiry of that period, ratified, in writing, by the Central Government; and in ratifying such contract or other arrangement, the Central Government may make such alterations or modifications therein as it may think fit:

Provided that the Central Government shall not omit to ratify any contract or other arrangement and shall not make any alteration or modification therein —

(a) unless it is satisfied that such contract or other arrangement is unduly onerous or has been entered into in bad faith or is detrimental to the interests of Auroville; and

(b) except after giving the parties to the contract or other arrangement a reasonable opportunity of being heard and except after recording, in writing, its reasons for refusal to ratify the contract or other arrangement or for making any alteration or modification therein.

(2) Notwithstanding anything contained in any law for the time being in force, no person in respect of whom any contract or other arrangement is terminated, altered or modified under sub-section (1), or who ceases to exercise any powers or hold any office by reason of any provision contained in sub-section (1) of section 4, shall be entitled to claim any compensation for the premature termination of the contract or other arrangement or for any alteration or modification therein or for the loss of his powers or office.

13. Exclusion of period of operation of Ordinance. — In computing the period of limitation prescribed by any law for the time being in force for any suit or application against any person by the Society in respect of any matter arising out of any transaction relating to Auroville, the time during which this Ordinance is in force shall be excluded.

14. Protection of action taken in good faith. — (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer or other employee of that Government or the Administrator or any person authorised under sub-section (2) of section 5 by the Administrator for anything which is in good faith done or intended to be done under this Ordinance.

(2) No suit or other legal proceeding shall lie against the Central Government or any officer or other employee of that Government or the Administrator or any person authorised under sub-section (2) of section 5 by the Administrator for any damage caused or likely to be caused by anything which is in good faith done or intended to be done under this Ordinance.

15. Penalties. — Any person who,

(a) having in his possession or custody or control any asset or property forming part of, or relatable to, Auroville, wrongfully withholds such property from the Administrator or any person authorised under this Ordinance, or

(b) wrongfully obtains possession of any such asset or property forming part of, or relatable to, Auroville, or

(c) wilfully retains any asset or property forming part of, or relatable to Auroville, or removes or destroys it, or

(d) wilfully withholds or fails to deliver any books, papers or other documents relatable to Auroville which may be in his possession or custody or under his control to the Administrator or any person authorised under this Ordinance, or

(e) fails, without any reasonable cause, to furnish any inventory of properties and assets as provided in sub-section (3) of section 7, shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to ten thousand rupees, or with both.

16. Offences by companies. — (1) Where an offence under this Ordinance has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Ordinance has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation. — For the purposes of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

17. Power to make rules. — (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the term of office of, the method of filling casual vacancies among, and the allowances and other remuneration, if any, payable to, the members of the Council under sub-section (6) of section 6;

(b) the additional matters in respect of which the Tribunal shall have the powers of a civil court under clause (f) of sub-section (2) of section 9; and

(c) any other matter which is required to be, or may be, prescribed, or in respect of which rules may be made, under this Ordinance.

(3) Every rule made by the Central Government under this Ordinance shall be laid, as soon as may

be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

N. SANJIVA REDDY,
President.

R. V. S. PERI SASTRI,
Secy. to the Govt. of India.